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Arizona Corporation Commission

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Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

SEP 21 2017

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RE: Docket Numbers: E-01345A-16-0036 & E-01345A-16-0123

Dear Chairman Forese and Commissioners,

On behalf of the organizations signed below, we ask you to request additional information from Arizona Public Service (APS) prior to approving its draft Customer Education and Outreach Plan.

While the APS plan includes references to overall intent, phases of educational outreach, and methods of communication, the Plan is unclear, and specific details are needed before the Commission can properly evaluate whether or not to approve the proposal.

For example, APS provides insufficient information on the following:

1. **Messaging, content and tactics.** APS should provide the Commission with a comprehensive set of examples of the communications that various customer classes and groups will receive and how and when they will receive that information.¹ We are also interested in learning if all, or any, of these communications will be provided in Spanish or other languages. (We believe that they should be.) APS should also clarify if any customers will be charged for text messages, and how customers can opt-out of communications if they wish not to be charged. Finally, APS should explain how it will incorporate messaging on the availability of energy efficiency programs, services, and tools to help customers manage their rate options.
2. **Enrollment and transition process to new rates.** APS should provide the Commission with monthly reports that provide information on the number of customers by customer class projected to and enrolled and transitioned to each rate plan. APS should also provide the Commission with information on customers who are put on the default rate plan and the plan that these customers choose after the 90-day period expires. Finally, information should be provided on the number of customers who prefer to use a plan other than the demand rate or time-of-use (TOU) rate options.

¹ For example, 500k customers will receive information via a weekly text and this is the series of those texts; 300k customers will receive information via a weekly email and this is the series of those emails.

3. **Budget and expenditures.** The APS plan does not describe a budget or how funds will be spent. A budget should be provided so that the Commission and stakeholders understand how ratepayer money will be invested. APS should report regularly on actual expenditures relative to this budget.
4. **Quantifying, measuring, and reporting on effectiveness.** APS should propose and the Commission should establish and approve metrics for quantifying and measuring the effectiveness of APS' outreach and education activities. APS should also describe the tracking and reporting mechanisms it will implement to report on these metrics. The Commission should ensure that it receives a written report from APS no later than June 30, 2018. This report should describe how well the plan was executed and any lessons learned.

Example metrics for the Commission's consideration could include the following:

- a. Open rates and click-thru rates for rate education-related emails.
- b. Percent increase in frequency of visits to customers' online accounts.
- c. Number of rate-related customer complaints.
- d. Number of views to rate education web pages.
- e. Number of customers who have changed rates over the last quarter.
- f. Number of events and presentations held in support of rate education and outreach and the number of people reached.
- g. Number of community partners utilized to support rate education and outreach and the number of people reached.
- h. Customer awareness of rate plans that may help them to mitigate electricity expenditures.
- i. Customer knowledge of where to go to get more information about how to manage their energy use.
- j. Customer understanding of how energy use can impact electricity bills.
- k. Customer awareness of the rebates, energy efficiency programs, and tips offered by APS that can help them manage their energy bill.
- l. Length of time, number of pages visited, unique visitors to the APS website.
- m. Number of featured stories in the news regarding APS' rate reform.

For additional recommendations and suggestions, we recommend that the Commission look at the metrics proposed by other utilities for similar rate education efforts.²

5. **Regular engagement with consumer groups.** As you are likely aware, our organizations frequently communicate with ratepayers in APS' service territory and across the state. We understand the benefits of reducing peak electricity use and strongly support reducing electricity consumption on peak and overall, especially through energy

² For example see: Southern California Edison's Marketing, Education and Outreach Plan for Residential Default to Time-of-Use Rates (March 2017): <https://www.sce.com/NR/sc3/tm2/pdf/3500-E-A.pdf> and the California Utilities Commission Metrics for PG&E's Peak Day Pricing and TOU Customer Education and Outreach Activities (2011).

efficiency programs. We appreciate ratepayers having choices on rate plans; however, to make an informed choice, ratepayers need clear and understandable information. We appreciate that APS has included consumer advocates in their outreach plan and has accepted an offer to meet with several of our groups. We further recommend that as part of the implementation of this Plan, APS formalize a consumer stakeholder working group that meets regularly to provide input and recommendations on the Plan's development and implementation. APS has formed similar working groups in the past, for example, when it designed and implemented its pre-pay pilot. These working groups are invaluable because the participating stakeholders can provide perspectives about the unique constituencies that they understand and represent.

We look forward to working with APS to discuss their plan and potential opportunities for our organizations and others to assist in an educational effort. We respectfully request that the Commission delays approval of this plan until you receive the information outlined above and representatives of our organizations have met with APS.

Sincerely,

Cynthia Zwick
Arizona Community Action Association

Doug Bland
Arizona Interfaith Power & Light

Diane E. Brown
Arizona PIRG Education Fund

Dru Bacon
Conservative Alliance for Solar Energy

Bret Fanshaw
Environment Arizona Research & Policy Center

Sandy Bahr
Sierra Club – Grand Canyon Chapter

Ellen Zuckerman
Southwest Energy Efficiency Project